

**LAW ENFORCEMENT OFFICERS' AND FIREFIGHTERS' PLAN 2
RETIREMENT BOARD
STRATEGIC PLAN**
Revised: July 23, 2004



Guiding Principles

Who We Are

Mission

- The mission of the Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board is to responsibly govern the pension plan for the benefit of the members.

Vision

- *What does success look like?*

Organizational Values

These are the Guiding Principles (Values) of the Department of Retirement Systems. They have been suggested as a model to use for developing the LEOFF Plan 2 Retirement Board organizational values.

- *We will treat our customers and each other with respect, fairness, honesty, and consistency.*
- *We will communicate openly and considerately.*
- *We will foster a climate in which innovation, initiative, and accountability are expected and supported.*
- *We will work with our customers to improve our responsiveness in meeting their needs.*
- *We will maximize the use of technology and emphasize user-friendly interface.*

Proposed LEOFF Plan 2 Retirement Board Organizational Values

- We will treat those we serve and each other with respect, fairness, and honesty.
- We will communicate openly and professionally.
- We will foster a climate of innovation, integrity, accountability, and excellence.
- We will work with those we serve to meet their needs.

Priority Goals 2004 – 2009

What We Want to Accomplish

- Enhance the benefits for the members.
- Provide the stakeholders with a voice in plan governance.
- Maintain the financial integrity of the plan.
- Stabilize contribution rates.

Primary Strategies

What We Will Do To Achieve Our Goals

Goal: Enhance the benefits for the members.

■ **Performance Objectives**

- Add benefits that are affordable for stakeholders
- Increase benefits for workers injured in the line of duty

■ **Key Tactics**

- Propose legislation that improves the plan for the stakeholders
- Compare plans from other states and relevant organizations
- Identify potential revenue sources for benefit enhancements
- Obtain stakeholder input for needed changes in the plan
- Research and monitor federal pension and tax laws

■ **Action Plans**

Action	Lead(s)	Schedule	Status

Goal: Provide the stakeholders with a voice in plan governance.

■ **Performance Objectives**

- Develop communication media for the stakeholders
- Maintain stakeholder confidence in the integrity of the plan

■ **Key Tactics**

- Provide opportunities for member communication/feedback
- Make presentations to stakeholder groups
- Solicit information about stakeholder priorities and issues
- Make presentations at public hearings
- Develop a wide range of communication media such as website, newsletter and e-mail
- Inform stakeholders about opportunities for communication/feedback

■ **Action Plans**

Action	Lead(s)	Schedule	Status

Goal: Maintain the financial integrity of the plan.

■ **Performance Objectives**

- Establish prudent financial policies.
- Identify additional funding mechanisms

■ **Key Tactics**

- Adopt adequate contribution rates
- Adopt financially sustainable budget for board operations
- Adopt economic assumptions, actuarial tables and cost methodologies
- Commission independent audits
- Research other options for revenue

■ **Action Plans**

Action	Lead(s)	Schedule	Status

Goal: Stabilize contribution rates.

■ **Performance Objectives**

- Reduce rate volatility
- Increase the reliability and duration of rate projections

■ **Key Tactics**

- Consult with strategic partners to develop tools to increase rate stability
- Identify best practices from other states and organizations
- Examine opportunities to re-structure the plan to stabilize contributions rates

■ **Action Plans**

Action	Lead(s)	Schedule	Status

Performance Measures

How We Will Measure Our Success

1. Enhance the benefits for the members.
2. Provide the stakeholders with a voice in plan governance.
3. Maintain the financial integrity of the plan.
4. Stabilize contribution rates.

GOAL	Method of Measurement	Target	Actual July 15, 2004
1	Increased benefits for employees disabled in the line of duty	70% of salary prior to disability	
1	Board proposals that are approved by the Legislature	100% approval rate	
1 & 2	Research supporting proposals	Every proposal includes a research component	
2	Comprehensive communication program with targets and schedule	Plan presented by December 31, 2004	
2	Feedback from the membership	Establish process for gathering input by December 31, 2004 Perform baseline surveying by March 31, 2005	
2 & 3	Independent audits: <ul style="list-style-type: none"> • Board member expenses • Actuary's assumptions 	<ul style="list-style-type: none"> ▪ Board expenses—no findings ▪ Actuary's assumptions—performed on timely basis 	
3	Deviation from the expected long term cost of the plan	<ul style="list-style-type: none"> ▪ Decrease deviation over next two biennium ▪ Maintain deviation within 10% of long term cost 	
3	Current and appropriate funding policies	Review, revise and adopt funding policies for LEOFF Plan 2 by December 31, 2005	
3	Funded ratio under actuarial standards	At least 100%	
4	Actual performance vs. projections in key planning areas	Actual expenditures will not exceed projected expenditures	